

October 2, 2001

The Honorable Michael M. Foreman
Clerk of the Circuit Court
City of Winchester

City Council
City of Winchester

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the City of Winchester for the period October 1, 2000 through September 30, 2001.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system; and no material weaknesses in the internal controls. However, we noted noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Collect Taxes and Fees on Wills and Administrations

As noted in the past several audits, the Clerk continues to improperly wait on the Commissioner of Accounts' final inventory before collecting the required fees and taxes on wills and administrations. Section 58.1-1714 of the Code of Virginia requires the Clerk to collect these fees and taxes at the time of qualification. In five of 10 wills tested, the Clerk allowed individuals to qualify without collecting the required fees and taxes. The Clerk has not billed \$1,345 in fees and taxes for wills qualified up to 6 months ago. The Clerk should assess fees and taxes using the estimated value of the estate at the time of qualification to avoid further delay in collecting state and local monies.

Obtain Proper Support for Due Date Changes

The Clerk alters due dates in the financial management system without a court order or obtaining a signed pay agreement. We found that changes to the due date for three of 10 unpaid criminal cases tested did not have the support of either a court order or a signed pay agreement.

All fines and costs are payable immediately upon final disposition unless otherwise ordered by the court or evidenced by a written payment plan. Section 19.2-354 of the Code of Virginia requires clerks to obtain signed pay agreements so that defendants understand their obligation to the court and payment terms. Therefore, the Clerk should require a signed pay agreement or court order prior to altering system due dates.

We discussed these comments with the Clerk on October 2, 2001 and we acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:whb

cc: The Honorable John E. Wetsel, Jr., Chief Judge
Edwin F. Dailey, City Manager
Bruce Haynes, Executive Secretary
Compensation Board
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia
Martin Watts, Court Analyst
Supreme Court of Virginia
Paul Delosh, Technical Assistance
Supreme Court of Virginia
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